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LOYANG'S FALL NEAR AS OUR UNITS SMASH ENEMY RESISTANCE

Nippon Plane Circles Over Doomed City; Chungking Trying to Readjust Lines

By S. YOSHIMOTO
Of the Military Press Corps

HONAN FRONT, May 14.—With its last, desperate resistance being smashed before the onrush of the Japanese Forces, Loyang, the ancient capital of China, now awaits its final day.

Our planes left the base early yesterday morning, and winged their way toward Loyang. Passing over Tengfeng, where a furious operation was staged a few days ago, we headed westward, then northward over the Loho River shining white under a morning sun.

Presently the enemy airfield, situated between the Yellow and Loho rivers, came into sight. To the north of the airfield, the white roofs of hangars were discernible, and to the south, two lines of barracks.

The enemy position, which lay to the south of Loyang, was quiet with not a single enemy to be seen from the plane. Now, this historic capital of Honan, which has been a witness to the many vicissitudes of the country through 4,000 years, is enveloped in the flames of war.

Circling over the capital, the Japanese formation reconnoitered the enemy defense position and pill-boxes hidden in the fields. It then winged southwest of the enemy position, passed over the precipitous Niufushan range, and approached Iyang where the enemy remnants were in hiding.

We were greeted by a challenge from their machine-guns which had evidently been removed from Loyang. The Wild Eagles replied with a series of ferocious attacks and blasted the enemy position. Our planes then headed for the base.

Counter-Drive Planned

By Y. OKI
Of the Military Press Corps

X X BASE ON THE HONAN FRONT, May 15.—Chungking, whose first battle district has been dominated by the Japanese Forces after skilful solid operations in which mobile forces took part, is concentrating on readjustment of its lines in this area of China.

There are increasing signs that Chungking is intending to retrieve its fortunes through a counter-offensive against the Japanese with its efforts based largely on the American air force in China, if things go well to act on the idea of attacking the Japanese mainland from the air.

In the present campaign the American air force in China has day after day made guerrilla attacks on the first line of the Japanese Forces and frequently attempted to reconnoiter the power of the advance bases of the Japanese Forces.

It will be seen that there has been a further increase in cooperation given by the American air force in China to the land forces of Chungking since the Changteh campaign in November last year.

It is in a formation of fighters and bombers centering around War Hawk P-40's and Mitchell B-25's or B-24's that the enemy usually comes out, and on the average X X American planes have daily participated in operations against the Japanese Forces.

Of the group of the air bases in western China being strengthened with the idea of carrying out direct air attacks upon the Japanese mainland, Liangshan is playing a vital role in the present operations.

Supplementary to Liangshan as a base the enemy has advance bases in Nancheng, Shensi Province, and Enshih, Hupeh Province, and in other places.

More than half of the American-made airplanes which have arrived in China by air transport by way of India since last month have been transported to X X.

As for the enemy in areas of Central and South China, it is in constant fear of Japanese "Wild Eagles," and this fear has driven it to move no small number of planes from the groups of air bases in the Central and South China area centering around Kweilin to air bases in the northwest. This development from Kweilin and other air bases in Central and South China, when considered in conjunction with the direction of the activity of the enemy's air force in the present operations, makes it impossible for us to exclude altogether the possibility of the enemy coming to attack the North China front of the Japanese Forces.

Argentina Takes Over Stocks and Assets Of British Company

Special to the Nippon Times

LISBON, May 15.—A considerable stir has been caused in Buenos Aires by the Argentine Government's decree expropriating the assets of the British-owned Primitive Gas Company which has been supplying gas to the city of Buenos Aires for many years, reports the Manchester Guardian correspondent from London. He states that the Argentine Government is reported to be offering the company 3,758,704 pesos which may be anything between £220,000 and £280,000 according to the exchange rate selected. In the company's last balance sheet, fixed assets and stocks were valued at nearly £6,000,000 and issued share capital at £3,000,000 besides a debenture debit of about £500,000.

BALL-BEARING TALK IS STILL NOT CLEAR

Griffith Wants to Buy Entire Output for U.S.—Stockholm Arena of Diplomatic Combat

Special

STOCKHOLM, May 15.—The trend of the negotiations between the United States mediators and the Swedish industrialists is still not clear.

According to the assertion of one Washington report, however, Stanton Griffith, American representative in the talks, is intending to purchase the entire production of the Swedish ball-bearing factories for the lump sum of $30,000,000 to make export to Germany impossible. This was described by the director of the Swedish ball-bearing factories as "beyond his knowledge."

Meanwhile, Griffith himself told the press representatives that he was not yet able to say anything about the trend of the negotiations. However, should they proceed on schedule, he would return to Washington by way of London at the end of the week.

Diplomatic Combat on

Domei

STOCKHOLM, May 15.—Ever since the arrival here of Stanton Griffith, American representative at the negotiations between the United States mediators and the Swedish industrialists on the ball-bearing export issue, Stockholm seems to have been turned into an arena of diplomatic combat between the Axis and anti-Axis nations.

To counter the agitations of the United States and British agents, the German Government has dispatched able diplomatic and economic experts. Prior to the arrival of Griffith, William Woring, commercial attache to the British Legation here, came back to his post from London where he had been consulting his home Government and since then he has been making overtures to the Swedish industrialists in conjunction with Griffith. At the same time, he has been exerting pressure on the Swedish Government.

Meanwhile, the German Foreign Office has dispatched here Herr Grandfeldt, head of the Scandinavian department of the Reich Foreign Office, followed by Karl Schnule, expert on commercial affairs, who stopped here, on his way to Helsingfors, to negotiate with the Swedish Government on the trade question.

In view of the failure of their negotiations with the Swedish Government, the American and British agents are now getting in touch with SKF and other ball-bearing makers and dealers and are said to be seeking to buy up all the ball-bearing produced in Sweden in order to prevent them from being shipped to Germany.

Pressures on Sweden are apparently being exerted at London and Washington at the same time with operations at Stockholm. According to information received here from Washington, the United States Government is threatening SKF with the freezing of all its assets in America and the blacklisting of all the SKF affiliations in Latin America. Reports from London indicate that the British Government today announced the blacklisting of eight more Swedish firms on the ground that they have dealings with Germany.

Lebanon Clash Serious

Special to the Nippon Times

LISBON, May 15.—Indicative of the political unrest persistently prevailing in the Lebanon area, a clash occurred at Beirut on April 27 between the police and army on the one hand and a mob on the other, according to information reaching here.

FOE PREPARATIONS FOR ASSAULT SEEN ON NETTUNO FRONT

Reconnaissance Reveals Alexander Planning Fresh Drive In Pontinian Sector

Special

BERLIN, May 15.—Anglo-American assault preparations have been revealed as a result of German reconnaissance in the Nettuno area, according to German war correspondent Karl Praegner. General Alexander is ready to relieve his large-scale attacks on the Italian south front with fresh operations simultaneously carried out in the Pontinian area. Yesterday German batteries shelled movements of invader troops besides knocking out at least five Anglo-American batteries.

Reconnaissance activity by the invaders was rather lively in the Nettuno area but all action was frustrated by German forefield guards. A strong British reconnaissance squad was liquidated and a group of prisoners captured, all the members of which showed symptoms of the so-called "Nettuno fever," a state of high nervous excitement which has previously been noticed among the Anglo-Americans taken prisoner. This germ originated in the Nettuno beachhead as a result of the long-lasting German artillery fire, which has not only caused heavy casualties among the invaders but also caused insomnia and wrecked their nerves.

Prisoners suffering from "Nettuno fever" usually recover quickly in German care, particularly as the effects of the Anglo-American artillery on the vast spaces around the beachhead are far less than are the effects of the German artillery on the narrow Anglo-American beachhead.

Battle More Violent

Special

BERLIN, May 15.—The battle in southern Italy has increased in violence over the week-end, but undoubtedly it has not yet reached its climax, according to Ludwig, Transocean's military correspondent.

He said that the center of the Anglo-American attacks is quite plainly in the area between the western coastal mountains and the Liri Valley where the 5th army is engaged while the enemy pressure north of Cassino where the 8th army is fighting has not only not increased, but has decreased.

After inflicting heavy losses on the Anglo-Americans by numerous counter-attacks, the German troops also disengaged the enemy at San Angelo south of Cassino, in Monte Maio mountain, and at Castelforte a few kilometers to the west where they held up attacks of the enemy in newly prepared positions.

American attempts to deploy large tank formations in the Liri area for the thrust into the depth of the German defensive zone were effectively frustrated and 50 tanks—a high number for Italian conditions—were destroyed. However, continuation of the fighting is to be expected.

So far, any effort on the part of the enemy to extend his offensive front to the central section or further toward the east is not discernible.

U.S. WAR PLANT FOREMEN NUMBERING 3,300 STRIKE

Surround Police Car and Stage Demonstration — Chase Company President

Special

LISBON, May 15.—Disturbances due to the strike of 3,300 American war plant foremen in Detroit are reported in dispatches received here from that city.

At the Murray Corporation, one of America's largest factories, the police broke up a demonstration after a group of foremen on strike surrounded the police car into which two of their members had been taken for questioning.

Alfred Jackson, president of the Aeronautic Products Company, told the police that he was chased across the plant yard and that the window in his car was smashed by pickets.

The foremen who are seeking recognition of their independent union remained away from their jobs in 13 districts surrounding Detroit despite the order of the War Labor Board authorities to work.

Americans Are Anti-Chungking, Prefer Sino-Reds, Avers Peffer

Writer Assails Dishonesty and Inefficiency Surrounding Chiang Kai-Shek and Laments 'Inner Struggle' in China

Special

LISBON, May 15.—Reflecting the recent Chungking reverses on the Honan front the appraisal of internal dissension between Chungking and the Chinese Communists again echoed through the American press when Nathaniel Peffer, well-known political analyst, asserted in a lengthy article in the New York Times entitled "The Inner Struggle in China" that although civil war is not imminent the struggle holds "the seeds of a future conflict."

Pointing out that both the Communists and Chungking will be willing to let the issue "lie in abeyance" until Japan is "defeated" because the Communists are not in a position to do anything else and Chungking does not want to assume the onus of precipitating a civil war and thus impairing Chungking's prestige just when Chungking, for the first time, has won a position of equality among the anti-Axis powers, nevertheless, Peffer asserted that the conflict does exist which may break out in a civil war.

This situation, according to Peffer, is a risky one that troubles the capitals of the anti-Axis countries and most of the people in Chungking since it threatens a division at a point vulnerable to the common enemy. This is a situation for which it will be difficult to devise a solution even if one had the power to impose it.

In regard to the attitude of the Americans in Chungking, Peffer stated that one of the anomalies is that the Americans in Chungking, who at home oppose labor unions as too radical, are in Chungking pro-Communist. It is well known, though it has not been made public that numerous letters have been sent back from Chungking to the United States to the general effect that the United States is backing the wrong horse in China. Peffer added that if a plebiscite of foreigners were taken in Chungking today it is quite possible that the majority would favor the United States shifting her support from Chungking to the Chinese Communists.

These Americans are not pro-Communists, he added. "They are anti-Chungking. And so are an increasing number in China. For one thing they see that where Communists are in control there is an efficient, honest government—government wherein the welfare of the masses is the first consideration—in fact, there is a tendency now to idealize the Chinese Communists."

Peffer, on the other hand, pointed out that these Americans respect Chiang Kia-shek but they distrust those with whom he is surrounded. They see sloth, inefficiency, dishonesty, utter indifference to the welfare of the people and "a reaction reminiscent of the last days of the war lords and approaching very close to what is called Fascist totalitarianism."

"They see growing repression of thought and speech, not for purposes of prosecuting war but for purpose of internal political power," Peffer continued. "They see in the Kuomintang, the monopoly party, a rigid reactionary bureaucracy throwing its tentacles over every avenue to political and economic power.

"Still disliking Communistic theory in peacetime, they begin to wonder whether China under the Communists there might not be of some hope. In China, under the Kuomintang as it is now, they see no hope at all. And the most serious thing in China at present is this loss of belief, faith and hope in the thinking people, intellectual leaders who steeled themselves to a long war in the belief that the outcome would be regeneration for China and better life for the people. This is what makes it so difficult to come to a judgment as between Chungking and the Communists and what makes a settlement of the conflict so difficult."

Summarizing the whole picture, Peffer declared that the outlook is not promising.

INFLATION SWEEPS NEAR EAST NATIONS

Currency Issues Swell to Six Times Prewar Estimates in Lebanon

Special to the Nippon Times

LISBON, May 15.—An inflationary trend has recently become manifest in Central Asia and the Near East, with currency issues swelling to four times the prewar estimates in Palestine and Egypt and six times in Lebanon.

To study financial problems, the Middle East Economic and Financial Convention was held at Cairo on April 23 under the auspices of the Middle East Supply Committee, attended by the representatives of Arab countries, Iran, Ethiopia, India, Britain and the United States.

Though the particulars of the debate have not been made public, information from reliable sources reveals that Lord Walter Cuiness Moyne, British Resident Minister in the Middle East, attributed the inflationary trend to the following facts:

(1) The Anglo-American forces stationed in the Middle East have spent large sums of money for the procurement of daily necessities.

(2) United States and Britain have sent large amounts of gold to the area, but neglected to check the inflation.

Lord Moyne is reported to have contended that if the Middle East countries were unable to curb inflation, the only way left was for the United States and Britain to supply their armies with home products, but that this would also mean losses to the Middle East countries.

De Gaullist Regime Renamed

Special

LISBON, May 15.—The French Consultative Assembly had moved by unanimous vote that the French Committee of National Liberation headed by General Charles de Gaulle assume the title of "Provisional Government of the French Republic," according to an Algiers report.

BRITAIN'S LOSSES IN SHIPS SAID HUGE

England Will Only Have Half Present Tonnage After War; Says Company Director

Special to the Nippon Times

LISBON, May 14.—Britain will only have half its prewar tonnage of merchant shipping and the United States will have about three times its prewar tonnage when this war ends, was the disquieting statement made yesterday by Warwick, a director of 40 shipping and kindred companies at the annual meeting in London of the Institute of Naval Architects, declares a recent issue of the Daily Mail.

In his speech Warwick said, "Huge losses in tonnage have been sustained due to enemy action. Britain has very largely concentrated on building battleships, cruisers and other naval craft and has very much restricted the country's facilities for building merchant vessels."

Warwick continued:

"Fortunately from the war point of view the Americans filled the gap by building an amazingly large number of ships of various types and speed. After allowing for a restricted output of new ships in Great Britain, it seems probable that the British mercantile marine will approximate 10,000,000 gross registered tons whereas the United States will probably have at least 30,000,000 tons. It would surely be fair and reasonable that the combined efforts of both should be pooled. It is to be hoped a mutually just and equitable means might be found for adjusting the postwar mercantile marine tonnage of the two countries with a reasonable regard for their respective needs at that time."

Other shipowners and shipbuilders are naturally not surprised at Warwick's speech but they point out that building costs in the United States have been higher than the British. They hope, however that some means will be found to balance the tonnage which is at present greatly in favor of the United States.

NIPPON UNIT CHECKS FOE TROOPS TRYING TO CROSS NU RIVER

Enemy Soldiers Near Tengyueh Contacted and Wiped Out in One Mighty Blow

By T. SUZUKI
Of the Military Press Corps

NU RIVER FRONT, May 15.—Forestalling the enemy offensive, crack Japanese Units in the Nu River area, that have been waiting for a favorable opportunity to act, are now continuing their advance after smashing the enemy's expeditionary forces in Yunnan which had crossed the Nu River and were planning to advance westward.

XX Unit of the Japanese Forces on April 27 contacted a powerful enemy force equipped for a river crossing at a point 33 kilometers north of Tengyueh where the foe had been planning a furtive movement. Furiously attacking them, the Japanese wiped out the foe at one blow.

On May 12, the XX Unit completely defeated the enemy forces which were attempting to cross the Nu River at five places.

Acting in unison with this unit, other crack Japanese troops surprise attacked the enemy at every point and succeeded in routing them.

EARLY TRIAL DEMANDED ON PEARL HARBOR AFFAIR

Congressman Short Presents Resolution—Kimmel Hints 'Higher-Ups' Involved

Domei

LISBON, May 15.—Republican Representative Dewey Short of Missouri in Congress, today, submitted a resolution demanding that a formal court martial should be held on the Pearl Harbor affair by December 7 this year, failing which the Administration and war authorities should be impeached for negligence.

The opening of a formal court martial on the Pearl Harbor affair had been frequently demanded by Admiral Husband E. Kimmel, ex-Commander-in-Chief of the United States Pacific Fleet, and Lieutenant-General Walter Short, ex-Commandant of the Hawaii Garrison.

Kimmel, in particular, had been darkly hinting that there were people "higher up" who should be held jointly responsible with him over the shameful showing on that fateful day. He is understood to mean President Roosevelt and the Secretaries of War and the Navy.

Representative Short is a relative of Lieutenant-General Short. In justifying his motion, Congressman Short declared that some witnesses of the Pearl Harbor debacle have already died, obviously referring to the death of Frank Knox, Secretary of the Navy, and that others may die if the proceedings are postponed until after the war.

MILAN RAISES OWN FOOD

Ingenious Fertilizing System Yields Great Production Results

Special

LISBON, May 15.—An ingenious fertilizing system employed by the Milan people in their fields outside the city has rewarded them with unparalleled fertility and record crops, reports Boltho von Hohenbach, Transocean correspondent, from Milan.

The great shortage of artificial fertilizers caused by the war was counteracted by the Milan people who conducted a drainage of water garbage and liquid dung into their fields. Twenty thousand acres of pastures outside the gates of the city were so wonderfully treated in this manner that they yielded in one year not only three crops, but eight.

As a result, Milan is the only big city in Italy, which, by means of this self-help system has managed to cover over two-thirds of its bread, milk, meat and vegetable requirements from its own restricted fields.

Bans Returning to England

Special to the Nippon Times

LISBON, May 15.—All British citizens in the United States including diplomats and other officials were recently forbidden to return to England on short-term missions "unless their journey is a matter of immediate urgency in national interest," according to the Daily Express correspondent in Washington.

Wallace to Report On Critical State Of Chiang's Regime

Special to the Nippon Times

LISBON, May 15.—How seriously the position in China is regarded in America is shown by the forthcoming visit of Vice-President Henry Wallace of the United States. The War Department in Washington is expected to learn by Mr. Wallace's reports how near China is to military and economic collapse. Military authorities say that if Lieutenant-General Chennault's 14th Air Force is forced to withdraw for lack of supplies, not even Chiang Kai-shek will be able to keep Chungking in the war against Japan. It is emphasized that if Chungking China collapses it will seriously interfere with the anti-Axis position in southeastern Asia and would prolong the war for months.

ADVANCE IN HONAN WORRIES YANKEES

Anxiety Shown Over Nippon Drive on Loyang—Washington News Assails Chiang

Special

LISBON, May 15.—Unofficial and press circles in Washington are expressing deep concern and growing anxiety over the Japanese drive on Loyang, Chungking's correspondent in Washington cabled, according to a dispatch received here.

He said that no one in Washington denies the fact that the Chungking forces are inadequately equipped to check the effective Japanese onslaught and that no one there denies the urgent need for greater assistance to Chungking, but insist that the critical problem of getting material into China in large quantities by air from India cannot be overlooked.

The view in Washington, the correspondent said, is that unless the Burma road is opened or a seaport is seized on the coast, it is practically impossible to get adequate supplies into Chungking.

Meanwhile, the Washington News assailed Chiang Kai-shek for not achieving national unity and declared that 250,000 of Chiang's best troops and equal or larger number of guerrillas are now watching each other instead of battling the enemy.

Also, a London dispatch said that the news of Chungking's reverses in Honan and the recent unfavorable reports and criticisms concerning Chungking's internal condition had a depressing effect on the London stock market.

Reflecting concern felt among the British papers, the Liverpool Daily Post warned that the loss of the Peking-Hankow railway and the Japanese entry into Loyang would be a serious blow economically to Chungking and politically might affect Chiang's authority.

GANDHI INTENDS SENDING ULTIMATUM TO BRITAIN

Deals With Emancipation of India; Likely to Start New Hunger Strike

Special

STOCKHOLM, May 15.—Mahatma Gandhi is said to be intending to confront Britain with a new ultimatum regarding the problem of Indian emancipation, according to a United Press dispatch from Bombay carried by the Dagens Nyheter.

According to the report, the Indian leader is said to be prepared for a new hunger strike.

The report said that the Mahatma was at present suffering from chronic trouble, which was making it difficult for him to talk. The rumor alleging that he was suffering from uraemia has not been confirmed.

Meanwhile, a Lisbon dispatch quoting a Bombay report stated that the Mahatma, who yesterday started a fortnight's silence in an effort to obtain fullest rest while recuperating at the Juhu beach resort, is now suffering from amoebic dysentery, hookworm in addition to malaria fever, according to the medical bulletin issued today.

Domei

LISBON, May 14.—The Bombay Government yesterday unconditionally released B. M. Gupta, a member of the Bombay Provincial Assembly, as well as another leader of the Indian National Congress from Nasik prison, according to a Bombay dispatch.

OUR UNITS OPEN UP FURIOUS OFFENSIVE ON BISHENPUR BASE

Attack on Vital Foe Stronghold Southwest of Imphal Now Reaching Its Height

By S. NAKAJIMA
Of the Military Press Corps

INDIAN FRONT, May 15.—Various crack Japanese Units that cut off the Bishenpur-Silchar Road have reached a point, three kilometers from the outskirts of Bishenpur, thereby adjusting their position to penetrate this enemy stronghold, about 20 kilometers southwest of Imphal.

The Japanese attack on Bishenpur is now reaching its height.

Having commenced vigorous attacks, strong Japanese Units have been engaging in heavy, violent battles day after day from the south, west and northwest and delivering a crushing blow to a part of the 23rd Division and remnants of the 17th Division of the Anglo-Indian army, which were struggling to defend Imphal.

After cutting off the Bishenpur-Silchar Road, various Japanese Units smashed about 1,000 enemy troops at the 5486 Height, six kilometers west of Bishenpur, and finally reached a point, three kilometers from the outskirts of Bishenpur. In defiance of furious enemy artillery fire and bombing from the air, day and night, the Japanese advanced inch by inch to the foe positions, reducing them one after another.

Under the protection of the newly-reinforced X X artillery columns that commenced a northward advance from a point near Nintoukon, other Japanese Units penetrated into a corner of the enemy strategic point, 200 meters west of Bosambam, on the night of May 9 upon destroying the enemy tank formations. After 13 hours' violent fighting, the Japanese destroyed six tanks and 17 vehicles and are now securing the position.

Another high mobile Japanese Unit advanced to Bungute, five kilometers northwest of Bishenpur, and occupied the enemy position there in a surprise-attack at midnight, of May 6. With its main force, the Japanese penetrated the enemy artillery position, north of Palenguba, on the following day. Engaging in hand-to-hand fighting, the Japanese Units killed 83 British troops besides blasting six heavy machine-guns, 15 trucks and three munitions carriages. They also succeeded in destroying and setting ablaze munitions dumps.

Meanwhile, a fierce Japanese attack is now being launched against the enemy reinforcements from the Bulibazar sector, which are advancing southward on the Bishenpur-Silchar Road to defend Bishenpur. However, in the face of our assault from the three directions, the enemy is now receiving heavy pressure in his defense of Bishenpur.

Nagragyaun Is Occupied

By K. MURAKAWA
Of the Military Press Corps

INDO-BURMA FRONT BASE, May 15.—With the war situation developing in favor of the Japanese, Units of the Imperil Army, that reached a point north of Sinaubin, occupied Nagragyaun, two kilometers northwest of Sinaubin, as well as the 94 Height, two kilometers west-northwest of Sinaubin, on the night on May 10.

These victories were gained after the Japanese smashed the powerful enemy force supported by 10-odd tank columns which assaulted under cover of an artillery barrage.

On the night of May 9, the main body of the Japanese Units advanced to a point west of a height on the main Buthidaung-Maungdaw Road, five kilometers west of Buthidaung.

A part of the main body of the Japanese Forces at daybreak next day, continued to advance from the 305 Height, two kilometers northwest of the above-mentioned height, and mopped up the enemy remnants.

At 7:30 a.m., they took the position at a height on the western side of the Buthidaung-Maungdaw Road, and also the 551 Height, eight kilometers west of Buthidaung, and are now clearing the path of advance by wiping out the enemy remnants.

Greatly menaced by the Japanese pressure against a point north of Sinaubin from a sector on the right bank of the Mayu River, and unable to meet the vigorous frontal attacks of the Imperial troops, the enemy forces at the artillery position at the 162 Height, southwest of Sinaubin,

(Continued on Page 2 Col. 6)

Press Comments

Tuesday, May 16

OUR OFFICERS AND MEN FIGHT BEYOND MERE DUTIES

MAINICHI—The news that the heroes of Torokina remitted their savings home as contributions to the aircraft-building fund has moved us deeply.

The momentum of the enemy counter-offensive in the Pacific, so far from subsiding, is growing fiercer. Nimitz and MacArthur, plying their wits together, are developing a strategy not to be despised. We are told daily of the enemy air attack on Rabaul, New Guinea, Truk and Timor. This is part of the American plan of a Pacific campaign.

At such a time, we can imagine the hardship and toil of our officers and men defending these first lines in southern waters. With difficulties of transporting supplies, chances are that they must sometimes face meager rations. The enemy, on the other hand, is casting into this theater of war a huge volume of materials regardless of waste. In the face of such conditions, our officers and men are fighting with undimmed combat spirit and high morale, maintaining unrelaxed discipline. Thus we may consider them as fully discharging their duties. Yet some of them are not satisfied. Early in March, they conducted a gallant charge against the strong fortifications of the enemy at Cape Torokina on Bougainville Island and inflicted severe losses. On the eve of the attack, the commander and all the rest of the unit remitted ¥58,000 of their savings to the War Ministry toward the building of aircraft.

The mere volume of arms or even their quality does not decide the issue of a war, but no modern war can be fought in disregard of either. The officers and men at the front realize the need of more arms, far beyond anything we imagine. They are sacrificing themselves in the cause of our country. They are discharging their duties over and above what is expected of them. Yet they want to do more. Thus they, on the very eve of a terrific charge, sent their savings toward the building of aircraft. We people behind the lines must respond to such action.

CHUNGKING'S AGONY

TOKYO SHIMBUN—A notable development of late in America's attitude toward Chungking is the sharp change from that of flattery to one of outspoken criticism. The primary reason for America's former attitude of generosity was Chungking's usefulness as a weapon against Japan. For the building of air bases, China is most strategically placed. Also Chungking's soldiers could be used to keep a part of the Japanese Forces occupied.

The United States therefore devoted much time and effort to the expansion of the American air forces in China and also to the Americanization of the Chungking air forces. As a flattering gesture, it treated the Chungking regime on an equal footing with the Soviet Union and Britain. This latter fact was later disclosed by the statements of Secretary of State Cordell Hull and invoked much laughter on the part of Britain.

Chungking on the other hand took full advantage of America's attitude and did all in its power to obtain material aid from the United States while the opportunity was there. At the same time it tried to elevate its position in the eyes of the world by wild broadcasts of its prowess in the war against Japan.

Recently strong opposition is being voiced in the United States by such men as Hanson Baldwin, N. Y. Times military commentator, to the Government's policy of attaching undue importance to Chungking, and American newspaper correspondents in Chungking-controlled areas are reporting the many weaknesses of the Chungking regime. Thus gradually the American public is beginning to realize the poorness of the Chungking army in equipment and character, the deep rift between the Chungking regime and the Communist Party, and the staggering inflation that is rampant in all Chungking-controlled areas, causing untold suffering to the masses. Thus the people of America are beginning to entertain grave doubts as to Chungking's ability to continue its resistance against Japan.

A feeling of contempt for Chungking has suddenly arisen in the United States and is threatening to cool down completely the eagerness to help Chiang. But the American leaders, who hope to defeat Japan with as little loss as possible o their own men, are fearful lest Chungking withdraw from the anti-Axis front and are trying by every known means to retain its hold. U.S. Vice-President Henry Wallace's forthcoming visit to Chungking cannot be said to have no relation with such an attempt.

The point to be particularly noted, however, in this connection is that because the United States now realizes Chungking's many weaknesses, thought it might flatter and give promise of further aid, its plan may be to make still more active use of Chungking in its fight with Japan by putting it under its full control. For example, the United States is recently evincing an ambition to Americanize China politically and is trying to infuse American ideas into the Chinese by the strict control of the thoughts of Chungking students in the United States.

In the meantime, Chungking is attempting to bolster its strength by utilizing the United States, probably not realizing that it is being encroached upon and slowly approaching its doom under American rule. No doubt there will come a day soon when Chungking will awaken to realize all this and attempt to set itself free.

As proved by the recent war development in China, Chungking is unable to save itself from ruin by its own strength. It must depend on the aid of the United States and this is further increasing Chungking's agony. Not only that, but as America's dream of regaining the Burma supply route is now shattered and the Chungking-India air route is interrupted by the Japanese Air Forces, there is now no way of preventing Chungking's downfall and becoming an orphan in East Asia.

REICH SCRIBE SAYS INVASION HAS BEGUN

Anti-Axis Air Raids on Europe Are Part of Actual Operation, Olberg Claims

Special

BERLIN, May 15.—"When will the invasion begin?" Lieutenant-Colonel Alfred von Olberg, retired, Transocean military correspondent, answers that the invasion has already begun, and that Europe is already in the midst of it.

He points out that the invasion is not a mass attack, which, after the troops have been lined up, must come with utmost precision on the next, or on a certain day. "We are already right in the midst of the invasion. Attacks of the anti-Axis air force in western Europe are not preparations for the invasion, but is a part of it.

"The enemy is blurring the actual area of attack. The large-scale battle in southern Italy, which had been anticipated, is only a maneuver to draw the German reserves to the Southern Front, but it can also become one of the main attacks of the invasion.

"One certainly must not think that the invasion will be something like the undertaking at Dieppe, which began at 9 o'clock in the morning of a fixed day, and was all over by evening.

"The invasion is a far-flung maneuver planned on a large scale which, by no means, will set in at one blow on a given day. Perhaps the landing of several air-borne divisions back of the German fronts will be a prelude to the actual operation. Perhaps commando troops—like those at St. Nazaire, only much stronger—will attempt diversions in Norway or in the Bay of Biscay, or at Salonika or Heligoland."

Turning to the preparations made by the Germans, the correspondent said. "The German command fully realizes that the vaunted large-scale enemy campaign will perhaps stretch over many months until it has become clear where the decisive blow is to be dealt. Undoubtedly, there will not be one single attack, for if it were so, then the large-scale battle in Italy would do as a second front.

"The whole European battle area, therefore, is one huge hedgehog position, with the advantage for the German command that it can send the necessary reserves to the major fighting area."

Fuehrer's Headquarters

May 15

Several local attacks made by the Soviets and supported by tanks at the lower Dniester were repulsed. Only minor fighting activity prevailed on the remaining parts of the Eastern Front between the Carpathians and the upper Dniester as well as south of the Beresina.

Our torpedo-boats at night advanced into the Gulf of Finland near Lavansaari Island and sank one enemy patrol vessel.

On the Southern Italian front, the enemy again continued his attacks yesterday. After embittered struggles in the course of which the opponent south of Cassino alone lost 50 tanks, our troops operating in the most southern front sectors moved some kilometers westward into previously prepared bolt positions.

Fascist torpedo-boats sank one enemy corvette in the waters off Anzio while one enemy torpedo-boat was sunk and another one severely crippled by Flak on board a German steamer west of Livorno.

British planes bombed Cologne last night while our bombers launched a concentrated attack against Bristol early this morning.

New Reich Plane, Deadlier Than the Stuka, Is Set for Action When Foe Invades Europe

Domei

BERLIN, May 15.—A new high-speed plane has been completed by German engineers which will receive its initial test in actual battle when the anti-Axis forces launch their much-vaunted second front operations.

The name "Dive-Battler 1944" was given to the machine by War Reporter Erwin Kirchoff, who first described this new plane. In his description, Mr. Kirchoff said that in the construction of the machine, more difficulties were encountered than when the first German Stuka—the Ju-87—was built.

The speed of this new machine is far greater than that of the Stukas. In diving operations, it has an almost unbelievable speed. It is also capable of making rapid ascents.

Its main work, as described by Mr. Kirchoff, is to fight the most dangerous of the enemy ground weapons, namely, the tank, and it is for this that the "Dive-Battler 1944" has been specially constructed.

In test flights, it made destructive hits on even the strongest tanks and ships, especially transports and landing barges.

The Berlin press, furthermore, has published photos of Germany's largest flying boat, the Viking, at present used by the Luftwaffe. It measures 37 meters long and 5.6 meters high, and is equipped with cannons and machine-guns. The Viking has already been tested in actual service.

REICH FIRMLY LED, ASSERTS GOEBBELS

National Socialist Party Makes Germany a True People's State, Says Minister

Domei

BERLIN, May 15.—The National Socialist Party stands for the political will of the German people to an extent hitherto unknown in history, writes Propaganda Minister Dr. Joseph Goebbels in an article comparing the bearing of the German people in the present war with the attitude of the German people during the Great World War, entitled "The Party in Wartime," appearing in the paper, Das Reich.

Dr. Goebbels declared:

"While the German people at that time was without leaders, it is now firmly led not only from one central office but from innumerable small offices, spread all over the country down to the smallest village. This leadership which is of paramount importance to the outcome of the war is entrusted to the National Socialist Party. Nothing happens in public life which is not decisively influenced by the Party organization. The Party is firmly rooted in the heart of the people. Day and night its finger is on the pulse of public life seeing to it that the needs of the people and the necessities of war are being balanced and coordinated. The German State is ruled according to the principles of the National Socialist Party program.

"The Party, contrary to the assertion by the enemy, has not come into power by force but by the free will of the people. The National Socialist regime stands for the political will of the people to an extent hitherto unknown in history. If the principle of democracy means that the people and government are inspired by the same political conceptions then the National Socialist regime is the most perfect democratic system of government in the world.

"The Party in Germany is leading the people and the Government is leading the State. The Party consists of millions of volunteers, mostly honorary workers, who are inspired by the purest idealism and know no other ambition than to serve the people. The Party is recruited from the best and most idealistic part of the German nation and the Fuehrer can depend implicitly on it at every time. The members of the Party differ from the rest of the German community not by the certain privileges afforded but by the greater duties which they have to fulfill at home and at the front.

"In this war a nation which wants to hold its own has to have a clearly defined and unshakable political point of view. It has been proved time and again that national socialism has released in the German people energies and forces which were hitherto unknown even to ourselves and which are of the greatest value as an additional contribution toward Germany's war efforts. This is why the enemy is hating the Party and everything that is National Socialist in the German Army and official institutions.

"It is due to the perfect accord between leadership and people that there have never been any domestic trouble in Germany even at the most critical times. Opposition and strikes are only possible in countries which are ruled by class principles Germany is a people's State in the truest sense of the word.

"True, the enemy may have certain advantages over us with respect to supplies. They are, however, hopelessly inferior to us in national determination and political will-power which, after all, will ultimately be decisive for the outcome of this war. Tested in battles and crises Germany will master all difficulties and in the end triumph over its enemies."

Soviet Consulate Set

Special to the Nippon Times

LISBON, May 15.—The Soviet Government has announced that a Soviet Consulate will shortly be established at Jerusalem, according to a broadcast from that city.

DEFENSE TACTICS OF REICH PRAISED

Remarkable Improvement Especially in Southern Sector of Eastern Front Cited

Special

BERLIN, May 15.—A remarkable improvement of German defense tactics and defense weapons is an outstanding feature of the recent fighting on the various European fronts and particularly in the southern section of the Eastern Front, according to Transocean military correspondent, Walter Plato. He said that in the operations between the Pruth and Moldavia, which reached a climax in the area of Targul-Frumos, the Soviet tank losses at the height of battle were of a magnitude which could only be explained by improved defensive tactics and the employment of new means of defense.

The correspondent stated that Soviet tanks and batteries were frequently attacked in their hide-outs. The activity of the German battleplanes was not restricted to the battlefield alone. German aircraft and German heavy guns carried the defense far into the rear of the Soviet lines where Red Army divisions were lining up. One of the features of this defense, which used offensive weapons, was the operations of the German air force against the supply lines in the rear of the Soviet lines.

The attrition of the Soviet offensive machine produced by the German defensive tactics is also reacting on the fighting on the Crimean Peninsula, the correspondent said. At Sebastopol, no fewer than 30 Soviet planes were destroyed by formations of the Luftwaffe, while anti-aircraft batteries too were very successful. The correspondent said that the large number of planes employed by the Soviet forces confirmed the German theory that they want to liquidate the German positions there at all cost in order to release some of their Crimean formations for the expected large-scale offensive in the southern sector of the Eastern Front. The intensification of the German defense appears to be introducing a new phase of war in the east as compared with the spring battles, the correspondent said, adding that the course taken by the fighting between the Pruth and Moldavia, which has come to a temporary conclusion, indicates that the Soviet forces had not reckoned with such a development.

SOVIETS NOT TAKING PART

Expected to Be Absent at Anti-Axis Information Board Meet

Domei

STOCKHOLM, May 14.—In order to organize an "Anti-Axis Board of Information," various representatives of the 18 anti-Axis nations will hold a conference on Tuesday, according to a London telegram.

Despite the fact that all the belligerents, including the United States and Britain, are to send delegates, the Soviet Government, alone, is not likely to participate. Last Friday, when British Minister of Information, Brendan Bracken, who is slated to become Honorary President of the proposed Board of Information, was questioned by reporters regarding this problem, he maintained an ambiguous attitude, declaring that he could not reveal whether a formal invitation had been extended to the Soviet Government.

British Uniform Price Upped

Special

LISBON, May 11.—Men and women officers of the British army and air force are faced with big increases in the cost of their uniforms because the Government-controlled price plan has collapsed, according to the Evening Standard. The paper said that the Officers' Uniform Committee of the National Federation of Merchant Tailors has demanded the British War Office and Board of Trade that prices must be increased.

ITALY INTENSIFIES ANTI-JEWISH DRIVE

Jews in Florence Taken to Concentration Camps; 701 Estates Also Seized

Special

LISBON, May 15.—First measures against Jews were taken by the Italian Social Republic in accordance with the stipulations of the racial law promulgated last December, according to a Florence dispatch.

Of 1,600 Jews residing in the city of Florence, 500 were taken to concentration camps and the remaining 1,100 Jews were placed under police supervision.

Property of all the 1,600 Jews as well as the property of the local synagogue is estimated at hundred million liras. Jews had hidden a large portion of their property it is surmised in the palace which was once owned by the Jewish Baron Anton Levi. The police found a well camouflaged small apartment of a few rooms where valuable works of art were discovered together with jewelry in gold, silver and ivory at several points in the walls of the palace. A big box containing costly garments, rare porcelain as well as a collection of autographs and old clocks were also discovered.

Furthermore, the State has confiscated 701 estates totaling 73,000 acres which were in Jewish possession.

Meanwhile, it is reported from Budapest that while certain industrial suburbs of Budapest had already started concentration of Jews in certain districts, the Vice-Governor of Budapest has now issued orders to municipal authorities decreeing that all the Jews in the municipality must from now on live in prescribed sections of the townships where non-Jews will not be permitted to reside. This resettlement of Jews will commence on May 22 and will be completed within eight days.

PRIME MINISTER OF EIRE OPENS ELECTION DRIVE

Has Nothing to Do With Neutrality Issue, De Valera Tells Dublin Assembly

Domei

AMSTERDAM, May 14.—Eire Prime Minister Eamon de Valera was given an enthusiastic ovation when he opened his election campaign yesterday, according to the British news service in Dublin.

The problem of neutrality has nothing to do with the elections which are of internal political significance only, the Prime Minister declared and asked the voters to consider the desirability of having a Government which would be independent of minor political groups. These groups, he stated, are always on the lookout to outvote the Government if a political step taken by it does not please them.

The Government has prepared a reconstruction program, he explained, for which 100,000,000 pounds sterling have been demanded and the stability of the Government is necessary for the realization of this plan.

Richard Mulcahy, leader of the Opposition Party, Fine Gael, opened his election campaign in the town of Cork on Saturday evening. He also declared that the outcome of the election campaign is of internal importance only, that neither the question of neutrality nor whether Eire should become part of the British Commonwealth is at stake. It was his belief, he declared, that a national Government in which all parties are represented would best serve the interests of Eire.

BADOGLIO URGED BY TITO TO SEND REINFORCEMENT

Jugoslav Rebel Leader Seeks Anti-Axis Influence to Bolster Partisan Army

Special

LISBON, May 15.—Marshal Joseph 'Tito' Brozovich, Commander of the Partisan Army in Jugoslavia, has sent a request to the British, American and Soviet Governments to use their influence on Marshal Pietro Badoglio, head of the Badoglio regime, to induce him to send 20,000 Dalmatians serving in the rebel Italian army as reinforcement for his Jugoslav partisan army, according to a Daily Sketch report from London.

The journal said that Tito had addressed his request also to Badoglio who, however, declined on the ground that the men in question were Italian subjects.

The paper further declared that these Dalmatian troops were at one time inactive and kept in the background and that they themselves have expressed the wish to be released from the Badoglio army.

Jury Indicts Mason For Making Threats On Roosevelt's Life

Special

LISBON, May 15.—Harold Mason, aged 37, has been indicted by the Federal Grand Jury on the charge of making threats against President Roosevelt, according to a Washington dispatch. The United States Attorney said that Mason, as an extra railroad passenger conductor, had frequently been a member of Roosevelt's special train crew. Arrested on May 6 in Philadelphia, Mason is alleged to have said in the presence of others at his home, "I and 19 others have tommy guns waiting to get a crack at the President." The maximum sentence is five years in prison and $1,000 fine.

FRANCO IS OPPOSED TO ALIEN MEDDLING

Spanish Chief of State Warns Against Danger of Communism Before War Veterans

Special

LISBON, May 11.—General Francisco Franco, Spanish Chief of State, in a speech at Alicante today declared that Spain would not brook any alien interference, according to a dispatch received here.

He said that Spain regretted that "unbridled passions" of others have impaired their vision and added that Spain amid the world at war is working for the recovery of its country and for justice for all its people.

Warning against Communism, he stated that Spain which suffered the presence of the Soviet secret police and commissars on its territory "understood that dangers of Communism and allowed its volunteers to take part in the glorious task of preventing such dangers."

Furthermore, he declared that Spain regarded the Bolshevik danger and the conflagration of the civilized nations in the west as two different problems.

In his speech to the veterans of Alicante, General Franco asserted, "Those of you who fought in the ranks of the Blue Division on Soviet soil have been able to see the state of misery reached by the Soviet people after 25 years of Communism. You together with our old comrades should be the permanent guard of our fortress."

Our Units Open Up Furious Offensive On Bishenpur Base

(Continued From Page 1)

have already started to retreat to a height east of Nayedauk.

20th Division Smashed

By S. HASEGAWA

Of the Military Press Corps

INDIAN FRONT, May 15.—Japanese Forces annihilated the troops of the 20th British Division who attempted to break into our positions at the 5521, 5417 and 4955 Heights on May 6, 9 and 10.

In the middle of April, the British 4th Corps in the Imphal Basin concentrated a large force in the Ililu and Laymakon valleys in an attempt to force a way across the Kohima-Wukululu highway.

Crack Japanese Units have been daily engaged in violent battles and have frustrated the enemy counter-attacks.

After fierce clashes, which lasted for three days at the 5521, 5417 and 4955 heights, the British troops gave up their plan to break through our position and, on May 11, began to retreat after setting the Ililu valley on fire.

Zubsa Gun Position Hit

Domei

BURMA BASE, May 15.—Japanese Air Units in the Burma area yesterday afternoon again stormed over the enemy artillery position at Zubsa, west of Kohima, and dealt heavy damage to the foe in repeated bombing attacks.

Ten-odd Spitfire fighter planes rose to challenge the Japanese, and in the skies near the artillery position, the Japanese downed two planes and routed all the others.

All the Japanese planes returned safely.

Imphal, Kohima Raided

Domei

LISBON, May 15.—The Imphal and Kohima war sectors were raided yesterday by Japanese Air Units, it was announced by the headquarters of the anti-Axis forces in south-eastern Asia, according to a Kandy dispatch.

Chen Leaves for Hsinking

Domei

NANKING, May 15.—Chen Chicheng, Chinese Ambassador to Manchoukuo, who returned here in the middle of March in order to confer with the home Government, left for his post in Manchoukuo yesterday.

LUFTWAFFE BOMBS HARBOR OF BRISTOL

Raids Extremely Severe, Say Reich Quarters; Other British Cities Hit

Special

BERLIN, May 15.—Strong formations of German bombers carried out an attack early this morning against Bristol, which authoritative German quarters for the first time, characterized as "extremely severe."

Large quantities of high explosive and incendiary bombs were dropped on the town and harbor area of Bristol while other German bombers attacked other important targets on England's southern coast.

Meanwhile, the British news service, today, reported German air activities over large areas in southern and southeastern England lasting since last night up to this morning.

It said that the German bombers dropped explosives at several places, particularly, on towns on the southern coast where there was "considerable air activity." High explosive bombs which were dropped in two districts caused considerable damage to houses, the report admitted.

In the meantime with the fighting on the Crimea now ended, German military quarters revealed that since the start of the Soviet large-scale attacks beginning this year, 128,000 German troops have been evacuated by naval craft alone while some 20,000 were transferred to the mainland during the same period by transport planes. They stated that these figures do not take into account those German forces which, according to a far-sighted planning of the German command, had been withdrawn or transferred to other front sectors before that date.

KNOX TESTAMENT PROVES U.S. DESIGNS ON WORLD

Neither Allies Nor Foes Spared—Says Singapore Would Be American After War

Special

STOCKHOLM, May 10.—Again indicating that the United States not only has imperialistic designs on its enemies but on its allies as well, a political testament by the late United States Secretary of the Navy, Frank Knox, said that the bases lost by the British in this war, for instance, Singapore, would not become British again after the war but would pass into American hands, according to a Lisbon dispatch to the Swedish paper Folkets Dagblad quoting a report in the Daily Mail of London.

The report said that although Knox played a rather unimportant part, his statements were of interest inasmuch as they were reflecting the views of his intimate friend, Franklin Roosevelt. The Daily Mail further reported that Roosevelt was very enthusiastic about Knox's plan, which the Folkets Dagblad said fitted in well with the picture of the American five ocean navy which was being drawn more and more clearly by the propagandists of the White House.

Forrestal Is Recommended

Special

LISBON, May 15.—The United States Senate Naval Affairs Committee unanimously recommended the Senate confirmation of President Roosevelt's nomination of James V. Forrestal, Undersecretary of the Navy, as Secretary of Navy in succession to the late Colonel Frank Knox, according to a Washington dispatch.

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N.Y. Exchange Slumps Due to Poor Showing Of Anti-Axis in S. Italy

Special

BERLIN, May 14.—The unsuccessful anti-Axis offensive in the south Italian front has caused a slump in the New York Stock Exchange, a New York dispatch to the Arriba disclosed, according to a Madrid report.

HUGE U.S. ARMY BUDGET DEMANDED BY ROOSEVELT

Asks for Appropriations Totalling $49,283,916,500 for Next Fiscal Year

Special

LISBON, May 10.—Immediately upon the heels of the huge bill which was passed by the House of Representatives without a dissenting vote in view of the mounting war costs and sent to the Senate, thus raising the nation's public debt from $210,000,000,000 to $240,000,000,000, President Roosevelt today asked Congress for new appropriations for the army totaling $49,283,916,500 for the next fiscal year beginning July 1, according to a Washington dispatch.

The estimates cover the maintenance and operation of an army of 7,700,000 officers and men and women to take "the offensive" in the global war.

Provisions have been made for a Women's Army Corps of 200,000 which more than trebles the present number. The dispatch said that the biggest single item for any branch of the army included in the budget was $12,610,000,000 for the air force.

Grew's New Book Issued

Domei

LISBON, May 15.—Joseph C. Grew, former U. S. Ambassador to Japan, has written a new book entitled "My Ten Years in Japan" published by the Simon and Schuster Publishing Company of New York, according to a New York dispatch. It will be recalled that Grew, ever since his return home from Japan, has been frantically fanning anti-Japanese sentiment in America by delivering speeches and publishing books and pamphlets. He is already the author of such books as "One Year After Pearl Harbor" and "Tokyo Report."

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GODO ENTERTAINED BY PREMIER CHANG

Leader of New Asia Mission Thanks Manchoukuo for Cooperating With Japan

Domei

HSINKING, May 15.—Prime Minister General Chang Ching-hui, in his capacity as president of the Concordia Society, gave a welcome party for Vice-Admiral Takuo Godo and other members of the New Asia Mission from Japan at the Yamato Hotel last evening.

The function was attended by Lieutenant-General Mitsujiro Miyake, director of the Central Headquarters of the Concordia Society, and other high Japanese officials in Manchoukuo.

Prime Minister Chang made a brief welcoming address in the course of the function, declaring that the reconstruction of Greater East Asia could be attained only through the determined efforts of all East Asiatic peoples to put into practice the principles of the Joint Declaration adopted at the Assembly of Greater East-Asiatic Nations in Tokyo.

He stated that the peoples of East Asia must firmly unite and strive for the successful conclusion of the present war in order to complete the liberation of East Asia.

Vice-Admiral Godo, responding to the Prime Minister's speech, expressed his appreciation for the whole-hearted assistance extended by Manchoukuo to Japan in this emergency period.

It was also reported that Vice-Admiral Godo, today visited Kirin to inspect the Fengman giant dam and waterpower plant.

Following the inspection of the power station, he attended a party given in his honor by the Provincial Governor of Kirin. He returned here late at night.

ENVOY VARGAS RETURNS TO MANILA ON FURLOUGH

Alas Accompanies Ambassador On Trip; Aquino Is Named Kalibapi Vice-Chief

Domei

MANILA, May 15.—Jorge B. Vargas, Philippine Ambassador to Japan, and Finance Minister Antonio de las Alas arrived this afternoon from Japan. Ambassador Vargas is on his first furlough following his assumption of the ambassadorial post in Tokyo in January.

The Finance Minister returned from a four-week trip to Japan and Manchoukuo as a member of the Philippine Gratitude Mission headed by Benigno S. Aquino, Speaker of the National Assembly, which returned last week.

Among those who also arrived were Miss Teresita Vargas, daughter of the Ambassador, and Dr. Andres V. Castillo, secretary to the Gratitude Mission.

Meanwhile, the Board of Information announced that President Jose P. Laurel today appointed Mr. Aquino as vice-president and concurrently director-general of the Kalibapi. The present vice-president of the Kalibapi, Camillo Osias, will fill the post of Minister of Education.

CENTRAL CHINA TO BOOST PRODUCTION OF COTTON

Quota Set at 2,500,000 Piculs This Year; 2,000 Mutual Aid Societies Set Up

Domei

SHANGHAI, May 15.—The Cotton Production Increase Association has completed plans to increase the output of cotton in Central China this year to 2,500,000 piculs. Of this amount, the Shanghai area will be responsible for the production of 300,000 piculs during the current year.

To aid in the prosecution of this plan, 2,000 Mutual Aid Societies in rural districts of Central China, especially in the Yangtze delta, have been established to assist cooperative societies in promoting cotton production. It is recalled that there were only 700 mutual aid groups last year.

The Association held a special meeting yesterday, during the course of which it was estimated that $60,000,000 will be required for the reclamation of alkali lands in north Kiangsu for planting cotton. The purchase price of cotton was also fixed at the meeting.

Merging Hokkaido Banks

The Hokkaido Colonization Bank will absorb the Hokkaido Bank, it was announced by the Finance Ministry on Monday. The amalgamation is expected to take place by the end of August and by this move, the Hokkaido Colonization Bank will become the sole banking institute in Hokkaido and Karafuto.

Vital Minerals Needed in War Discovered In Considerable Quantities in Manchoukuo

Domei

HSINKING, May 16.—Deposits of rare elements and boron ores essential to the manufacture of scientific arms, have recently been discovered in large quantities in Manchoukuo, adding to the material strength of the country.

The minerals found are indispensable to the production of electric-wave instruments of warfare and every belligerent is frantically trying to produce these elements. The Manchoukuo Mineral Development Company has been investigating promising areas in Southern Manchoukuo for several years and recently became convinced that rare elements of high quality could be produced in large quantities. The development of the areas is expected to be commenced during the current year.

A large quantity of boron ore is needed to make the lenses which constitute the most vital parts of military optical instruments. Before the outbreak of the War of Greater East Asia, Japan used to import this mineral from the United States and, after the start of the war, a kind of stone produced in Chosen had been used. It was recently confirmed that in the southeastern part of Manchoukuo, large amounts of high-grade boron could be produced. With investigations having proved successful, large-scale exploitation and refining of boron ores will shortly be started.

NOTHING CAN STOP PATRIOTS IN INDIA

Brutal British Moves Add Impetus to Freedom Cause—Youths Are Inspired

Attesting to the ever-increasing resentment and animosity of the Indians, especially of the youths, against the cruelty and inhumanity of the British, uprisings and strikes are occurring daily in India, particularly in Bengal and Assam provinces. No amount of coercion or cajolery can effectively stem the tide of rising national consciousness. On the contrary, the anti-British feeling has become so intensified that it is likely to explode in action at any moment, according to a recent report from the Indian Front to the Mainichi.

A certain Indian lieutenant recently deserted the 9th battalion of the 12th regiment of the British-Indian 20th Division to join the Indian National Army. Disclosing the anti-British movement among the masses, which has become greatly intensified with the successful entry of the Indian National Army into India, the lieutenant said:

"When I eluded the British guards I escaped into the jungles. The thunderous explosions and the roar of guns almost deafened me. Tired almost to the point of death, and with nothing but gruel for meals, I staggered on, determined to join the Indian National Army.

"After a time I must have become unconscious. When I came to, I found a certain officer of the Indian National Army attending me. He took me to a position held by Azad Hind troops. There, I became fully acquainted with the sacred mission of the Army. As I saw for myself the well-disciplined troops of the National Army, I realized how thoroughly I had been deluded by British propaganda in regard to their true strength."

Further revealing the cruelty of the British, the lieutenant continued:

"The sepoys are being treated discriminately by the British. Those of my comrades who were unfortunately caught by the British while attempting to flee, were punished with the death penalty, their heads sometimes being cut off before our very eyes. Alarmed over the rising tide of anti-British sentiment, the British are now resorting to the sinister measure of 'divide and rule,' deliberately assigning Hindus and Mohammedans to the same unit. Furthermore, while cajoling the Indians, on the one hand, by raising their pay, they are, on the other hand, using most drastic measures against them by banning meetings, and unlawfully arresting and incarcerating the Indians.

"No oppressive measure can, however, suppress the anti-British movement. Bengal and Assam provinces, stricken with famine, are now being swept by raging epidemics. Conditions there are becoming further aggravated by the requisitioning of foodstuffs by the British forces and by the acute shortage of medicine. In spite of the fact that the British are spreading reports that this year will see the richest harvest since 1919, restlessness and disturbances are increasing daily.

"In Chittagong, where the famine is at its worst, the stations are packed with starving vagrants. Armed policemen are stationed here and there to suppress rioters, but all in vain.

"With the news of the vigorous advance of the Indian National Army into Indian territory, farmers began to hoard their rice. Strikes are breaking out incessantly. The independence movement is being pushed forward particularly by the Indian youths.

"For the first time since the fight for independence in 1857, the Indians are strongly armed. Subhas Chandra Bose, Commander-in-Chief of the Indian National Army, is the hope of the Indian masses. We must smash the British who have deceived and fooled the Indians. Firmly resolved to march forward for the independence of India, I feel most happy to fight under the capable command of the Netaji. To die for the cause of the motherland is the desire of all Indian youths."

Obituary

Chikaharu Kawakami, 90, member of the House of Peers, died of illness at his home in Kajiki-machi, Kagoshima Prefecture on May 12. He had served as superintendent of the Metropolitan Police and also filled other important posts.

YANKEES ADVANCING AIR BASES IN CHINA

Main Strength Being From Hinterland in Attempt to Raid Nippon Mainland

Domei

CANTON, May 14.—Feverishly seeking an opportunity to air-raid Japan as its supreme task, the American air force in Chungking-controlled China is moving its main strength from the hinterland to the advanced bases.

At the time it was first organized, the American air force in rebel China was principally based at Kunming with the remainder of its main strength distributed to Yunnanyi, Yangchieh and Chengkung and only a small force stationed in the southwestern advanced bases around Kweilin, rushing whatever force is required on each occasion from the hinterland. Up to last year the enemy rarely used more than 12 or 13 planes at the most.

With the turn of the year, however, the Americans sent the bulk of their fighters and bombers to the advanced bases at Kweilin, Lingling, Hengyang and Suichwan and have ever since been reinforcing these advanced bases.

A Melbourne broadcast says that the headquarters of the United States air force command which had been situated at Kunming has recently been moved to Kweilin. As no official announcement has been made by the American authorities, it is difficult to judge whether the report is true or not. It is quite probable, however, in view of the importance the Americans are now attaching to Kweilin as their "air citadel."

MEAGER LEND-LEASE AID SCORED BY CHIANG PAPER

Domei

CANTON, May 11.—Dissatisfaction over the small amount of Lend-Lease goods sent to the Chiang regime from the United States was voiced yesterday by the Ta Kung Pao in connection with America's recent decision to extend the Lend-Lease Act for another year.

The editorial follows:

"It is gratifying to know that the Lend-Lease Act has been extended for another year, but the amount of war materials supplied to Chungking during 1942 and 1943 was much smaller compared with the quantities sent to other countries.

"Of the total amount of goods dispatched to various countries by America in accordance with the Lend-Lease Act, 50 per cent were shipped to Britain, 20.1 per cent to the Soviet Union and merely 2 per cent to Chungking.

"As a member of the anti-Axis camp, Chungking plays a vital role in the prosecution of the current war. However, due to the meager support accorded to the country by America, it is evident that the Chungking army will not be able to perform its mission as effectively as it should."

Foreign Relations Body Meets

The 24th regular general meeting of the Japan Foreign Relations Society, which is directly affiliated with the Foreign Office, was held on Tuesday at 1 p.m. at the Peer's Club. The 13th regular meeting of its Women's Department was also held at the same time. Following an address by Hachiro Arita, president of the Society, Foreign Minister Mamoru Shigemitsu delivered a congratulatory address. Katsuo Okazaki, director of the Foreign Office Publicity Affairs, then gave a talk entitled: "The Recent International Situation." The meeting ended at 4 p.m.

KOGA IS EULOGIZED BY NOTED ANNAMITE

Japanese Spirit as Manifested By Death of Fleet-Admiral Hailed by Ting

Special

SAIGON, May 15.—Paying high tribute to the late Fleet-Admiral Mineichi Koga, Commander-in-Chief of the Japanese Combined Fleet, Ting Chun-hsiao, noted Annamese military commentator, declared that the gallant death met by Fleet-Admiral Koga, as well as his predecessor, Fleet-Admiral Isoroku Yamamoto, is a manifestation of the true spirit of the Oriental soldier.

This statement was contained in an article which was published here on the occasion of the holding of the Navy funeral in Tokyo for the late Fleet-Admiral Koga.

Mr. Ting is the author of three books in Annamese, namely, From Hawaii to Singapore, Record of Fighting in Burma, and When the Z Flag is Raised, in which he describes the essence of the Japanese fighting spirit.

In his article, Mr. Ting said that at the same time when the Japanese nation is mourning the death of the late Fleet-Admiral, the Annamese people, too, deeply share this great sorrow, and also feel unlimited pride in the spirit of the Oriental soldier as manifested by Fleet-Admiral Koga.

He added that what had deeply moved the Annamese people was the fact that the late Fleet-Admiral had met a gallant death while directing operations in a warplane at the foremost front, as did the late Fleet-Admiral Yamamoto.

Continuing, Mr. Ting said that although no one today denies the important role played by planes in modern warfare, no other navy uses planes so dexterously as the Japanese Navy. He said that the Japanese Navy fully demonstrated the superiority of its tactics by assigning the most important role to aircraft, as attested to by the success achieved in the attack on Pearl Harbor, and the sinking of the British battleships, the Prince of Wales and the Repulse.

Pointing out, however, that the real value of arms depends upon the persons who know how to handle them, Mr. Ting said that the superiority of the Japanese Navy Air Force is due not only to the superior quality of its planes, but also to the powerful fighting spirit and training of the pilots and other crew members which the late Fleet-Admiral Yamamoto fostered, and which the late Fleet-Admiral Koga took up as his successor.

Mr. Ting declared that complete obedience in face of duty—a characteristic found only in the Japanese national spirit—is the spirit which the Japanese Navy has inculcated in its personnel, from sailor to admiral.

This spirit, he said, has been demonstrated to the whole world by the exploits, and the gallant deaths met by two commanders-in-chief of the Japanese Navy while directing operations from a warplane at the foremost front.

Mr. Ting emphasized that the Annamese people feel grateful to the countless Japanese airmen who, trained under this great spirit as manifested by these two great admirals, are safeguarding areas far from their bases and intercepting enemy counter-offensives. The Annamese also pray for the eternal repose of the departed souls of Fleet-Admirals Marquis Heihachiro Togo, Yamamoto and Koga.

Yoshizawa Sees Decoux

Domei

SAIGON, May 15.—Kenkichi Yoshizawa, Japanese Ambassador to French Indo-China, visited Dalat yesterday to confer with Vice-Admiral Jean Decoux, Governor-General of French Indo-China. Ambassador Yoshizawa is expected to return here on May 17.

Concert Calendar

Waltz Evening, a special concert by the Nippon Philharmonic Orchestra, under the baton of Hisatada Otaka, Tuesday, May 23, at 6 p.m., at the Hibiya Public Hall. Program: Shinichi Takata's "Rikugun Damashii"; Strauss' Waltz-Emperor; Waltz-The Voice of Spring; Waltz-Le Beau Danube Bleu; Beethoven's Symphony No. 6 in F major (Pastorale).

Symphony Music Evening by the Tokyo Symphony Orchestra, under the baton of Noboru Kaneko, Friday, May 26, at 6:30 p.m., at the Hibiya Public Hall. Program: Taike's Old Friend; Strauss' Waltz-The Roses of the South; Shinichi Takata's Sakura; Tschaikowsky's Ballet Suite-The Swan Lake; Schubert's Unfinished Symphony.

Eleventh subscription concert by the Nippon Philharmonic Orchestra, under the baton of Kazuo Yamada, Wednesday and Thursday, June 7 and 8, at 6 p.m., at the Hibiya Public Hall. Soloist: Susumu Nagai, at the piano. Program: Brahms' Symphony No. 3; Beethoven's Piano Concerto No. 1 in C major; Bunya Ko's Symphonic Poem, "Ranpeki-no-Sora-ni Nariwataru Hatobue"; Weber's Waltz-Invitation to the Dance.

Tokyo Restaurants Reopen on May 16; Official Prices Set

Restaurants in Tokyo which had previously been divided into four groups, according to the kind of dishes they served—Japanese, Chinese, Western and sukiyaki—as well as dining rooms attached to hotels, were reopened on May 16 following official fixing of prices. All eating places belonging to Class 1 will serve lunch and dinner at ¥2.50 and ¥4.00 respectively; lunch at Class 2 restaurants will cost ¥2.00 and dinner ¥3.00; lunch and dinner at Class 3 establishments ¥1.50 and ¥2.00 respectively while Class 4 restaurants will charge ¥.50 for lunch and ¥.75 for dinner. The above prices are subject to additional tax which will vary according to the difference in prices.

CONTROL FIRM SET FOR N. CHINA FOOD

Smooth, Thorough Execution of Vital Policy Is Aim, Says Wang Keh-min

Domei

PEKING, May 15.—In order to facilitate its unified control over foodstuffs in North China, the North China Political Affairs Commission will establish a North China Foodstuffs Company, it was announced here on Monday.

The proposed organization will be divided into the Central Foodstuffs Company and the Local Foodstuffs Company. The former is to be capitalized at ¥100,000,000 and will issue foodstuff bonds for the purpose of raising operation funds, while the latter, with a capitalization of ¥10,000,000 each, will be established in various provinces as well as in Peking, Tientsin and Tsingtao.

Regarding the establishment of the said company, Wang Keh-min, Chairman of the North China Political Affairs Commission, on Monday, issued the following verbal statement:

"When the war is progressing toward victory, it is highly necessary for us to exert our best efforts toward the fundamental execution of the various policies and the exploitation and increased production of various commodities. In the light of this fact, we have decided to establish the North China Foodstuffs Company in order to effect a smooth and thoroughgoing operation of the foodstuff policy.

"The new Company, about to be born, is expected to fulfill its important mission satisfactorily, with the support of both the Government officials and the general public."

BURMESE MISSION CALLS ON GOVERNMENT LEADERS

Will Confer With Officials at East Asia Ministry, Foreign Office Today

Dr. Ba Han, U Soe Nyun and U Ba Nyein of the Burmese Special Investigation Mission made a round of formal calls, beginning at 2 p.m. Tuesday, on War Vice-Minister Lieutenant-General Kyoji Tominaga, Foreign Minister Mamoru Shigemitsu, Imperial Household Minister Tsuneo Matsudaira and Minister of Greater East Asiatic Affairs Kazuo Aoki at the respective Ministries.

A banquet was given in honor of the Burmese Mission at the residence of the Minister of Greater East Asiatic Affairs from 6 p.m. the same day.

The members of the Mission will confer with officials of the Ministry of Greater East Asiatic Affairs at 9:30 a.m. today and with Foreign Office officials from 2 p.m.

P.I. IS CONSTRUCTING NEW ORDER IN ASIA

Visit of Recent Thanks Party To Japan Strengthens Reconstruction Works

Domei

MANILA, May 16.—The work of reconstruction in the Philippines is making remarkable progress along the lines into which it had passed after the successful first six months' period subsequent to the attainment of Philippine independence.

The sending of the Gratitude Mission headed by Benigno S. Aquino, Speaker of the National Assembly, to Japan by the Philippines Government has resulted in a further strengthening of the ties of cooperation between Japan and the Philippines.

The transformation of the Kalibapi into a single political organization has been carried through, the Laurel Government thus acquiring a tremendous power for directing the conduct of national affairs necessary if the Republic is to have the support of the entire nation.

This transformation of the Kalibapi, combined with the creation of the Economic Planning Board in the Philippine Government, has been an important factor in the swift reconstruction work enabling the Islands to meet the needs of the decisive phase of the war.

Best Men Sent

A glance at the list of the members of the recent mission to Japan suffices to show that it was composed of the best men within the power of the Philippine Government to send to any foreign country.

Special Ambassador Aquino was Vice-President of the Kalibapi before the Islands became independent. After the attainment of independence, he became Speaker of the National Assembly and has since held that position, acting as President Laurel's helper.

Jose Yulo, Chief Justice of the Supreme Court, Antonio de Las Alas, Minister of Finance, and Camilo Osias, Director-General of the Kalibapi, who were among the members of Mr. Aquino's suite, all occupy responsible positions in the new Philippine Government. Incidentally, it was the first time that either of them had paid a formal visit to Japan.

The object of the mission, as was explained at the time by the Board of Information, was to express to Japan the thanks of the Philippine people for the assistance rendered in the attainment of independence and to promote complete understanding between the two countries.

There are two things that can be confidently expected of the visit of Special Ambassador Aquino and members of his party to Japan. In the first place, they will have gained a thorough understanding of conditions in Japan which is currently passing through a decisive phase of the war. No doubt this experience will prove of immense help to the members of the party in the management of political and economic affairs after their return to the Philippines.

Economics Ties Boosted

In the second place, a further, and indivisible, strengthening of the economic relationship between Japan and the Philippines is certain to result from the sojourn of Rafael Alunan, Minister of Agriculture and Natural Resources, and Finance Minister Alas, in Japan. The Philippines will be enabled, as a country only a short distance from Japan, to make a far greater contribution toward the solution of questions confronting East Asia such as the transportation of materials needed for the conduct of the war.

The transformation of the Kalibapi into a political organization, which has brought to realization the ideal of a single political party, is of supreme importance in the political history of the Philippines. Political parties became automatically extinct in the Islands under wartime conditions. There was need for wiping out the political-consciousness of the people, an indispensable step for the construction of a new Philippines and for the concentration of all the country's resources for the attainment of national ends. It was in order to meet such conditions that the Kalibapi was brought into being.

One of the first undertakings of the organization has been the revival of the spirit of the Orient throughout the Islands. As one means of achieving this, it has carried on a movement for the increased cohesion of the Filipinos as a race. In short, in the earlier days of its existence it acted as a thought organization much after the manner of the Imperial Rule Assistance Association of Japan.

When the Philippines achieved independence, the Kalibapi did all that it could to bring about the creation of the new Government. It concerned itself with the approval of the draft constitution, the return of the members of the National Assembly and the election of the President.

The vigorous development of the new Philippine Government has been a force in converting the Kalibapi from the original organization to unify thought, to one of promoting closer political ties between the Government and people.

To Guide People

Soon President Jose P. Laurel will assume the presidency of the Kalibapi as the single political party in the Philippines, and the platform of the organization will then be decided. Henceforth, the Kalibapi will divide its attention between performing its functions as the political nucleus of the Laurel Government and guiding the people in the service of the State.

The new Economic Planning Board has been organized as the supreme organ dealing with all economic measures adopted in the islands. It will be concerned above all with one of the most urgent questions confronting the Islands, viz: that of making the country self-sufficient in foodstuffs.

Manuel Roxas, chairman of the committee making up the Planning Board, like Manuel L. Quezon and Sergio Osmena, was a leading figure in the political world of the Philippines in the days preceding the war and his knowledge of economic matters cannot be surpassed by any of his countrymen. The committee includes also those ministers concerned with economic affairs and leaders in Philippine economic circles.

Following the establishment of the board, a committee was set up to advise on the rice question. Under the leadership of Mr. Roxas, it is seeing to it that effective measures are adopted by the board for increased rice production and improvement of the system for delivery.

Before stepping forth to head the committee constituting the Economic Planning Board, Mr. Roxas had kept strictly away from all activities, giving ill-health as the reason for his inability to associate himself with public undertakings. This gives all the more weight to the fact that he has now assumed the responsibility of solving the food question in the Philippines.

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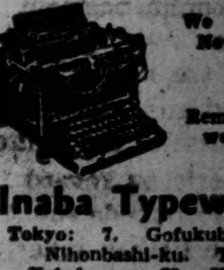

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TOKYO, WEDNESDAY, MAY 17, 1944

Britain and the Dominions Versus the U.S.A.

When in March, 1941, Britain accepted fifty American destroyers in exchange for the lease of certain military and naval bases in the Atlantic Ocean, a precedent was established the results of which have not in the long run been conducive to smooth relations between Britain, the Dominions, and the United States.

For since this amiable agreement was reached the United States has expanded its ideas along this line, and plans for securing more bases have been maturing rapidly. Uncle Sam, like a cat before a dish of cream, will not stop at the first lick but must scour the dish. The War of Greater East Asia has made the United States more positive and daring in its imperialistic trend and this has been still further intensified by the dispatching of American troops to India. Hence the proposals put forth in the American Senate to secure all British bases in the Atlantic Ocean in return for the assistance given under the Lend-Lease arrangements. The late Secretary of the Navy, Frank Knox's last note is reported to have suggested the eventual American possession of Singapore and Madagascar. Proposals have arisen for the absorption of Canada by the United States in case of the downfall of the British Empire, and some of the "whole hog or none" school would even advocate the amalgamation of Britain into the United States.

Meanwhile, while these grandiose plans were simmering in the American brain, Australia and New Zealand have apparently been giving the situation serious thought. Both Dominions have recently emphatically declared their determination to recognize no claim that may be made at the end of the war by "a certain country" for its territorial, sovereign or suzerain rights over the military or naval bases which it has constructed or is utilizing in other countries or in their sphere of domination.

It will be recalled that at about the time of the outbreak of the present World War, grave disputes arose regarding the defense of both Australia and New Zealand between these Dominions and their home country, Britain, and that as a result of these disputes these countries became "the orphans of the Pacific Ocean" and came to rely on the United States for their defense and existence. Their dependence on America became intensified after the commencement of the War of Greater East Asia. Naturally, in view of these facts, the recent statements issued by New Zealand and Australia have called forth severe criticism in the United States.

The Americans regard the statements as an attempt to impede the American ambition to secure the British inheritance in the Pacific, and to reserve the right of the Dominions to have some say in Pacific affairs after the war. While still irritated by the stand taken by these two Dominions, Lord Beaverbrook rubbed salt into the wound by stating in the House of Commons on May 11, that the British Government would give its wholehearted support to the stand taken by Australia and New Zealand.

To make matters worse, Colonel Oliver Stanley, British Secretary of State for Colonies, has declared that Britain is absolutely opposed to the American idea of amalgamation of any part of the Empire into the United States. And recently Prime Minister Churchill found it necessary to announce in the House of Commons that although the British Government does not hesitate to cooperate with the allies, it is determined to keep its Dominions and colonies in its own hand.

Since Britain, Australia and New Zealand have found it necessary to clarify their position as opposed to American imperialism, their statements have raised a storm of criticism in the United States. It is obvious that the existing agitated feeling between the United States and Britain will be intensified.

The Second Front Mystery

The latest intelligence on the Second Front situation is a Madrid dispatch which gives the following reasons why the Second Front is about to be opened:

1. The intensified Allied poundings of Axis targets.
2. Large scale maneuvers by anti-Axis aircraft based on the British Isles.
3. The incessant air patrols over the Atlantic coast.
4. President Roosevelt's return to Washington.
5. The recent inspection of the Atlantic coastal defenses by General Rommel.

This is by no means the first set of not improbable reasons which have been advanced to explain the imminence of the setting up of the long delayed Second Front. But plausible reasons or implausible reasons the situation remains exactly where it has been these past few months, on the verge, but never quite.

Which leads us to believe that there may be something, after all, in the "confirmation" by the British consul at Barcelona, of the report that British Foreign Secretary Anthony Eden, during his recent disappearance from London, spent two days at the Kremlin in an effort to obtain Premier Josef Stalin's consent to another postponement of an attempt at forming a Second Front. This report serves to stress once again how great is the Anglo-American disinclination to form a Second Front. This aversion arises from the prediction of military experts that appalling military losses will be entailed in the formation of a Second Front, and from the prediction of political prognosticators that even if successful, the venture will serve materially to strengthen the power of the Soviet Union.

Manifestly, the formation of a Second Front will involve terrible losses for the Anglo-Americans. Even their own military experts have predicted that losses amounting to five hundred thousand men will be suffered in the first attacking operations alone. Neutral observers, free of wishful thinking, say that losses of two million men will be involved. The question immediately arises in the Anglo-American mind whether such heavy sacrifices will be worth the effort. To the British such terrific losses can be almost a fatal blow, for the sudden subtraction from its population of hundreds of thousands of the flower of its youth is the last thing it can afford. For the Americans, always thinking in terms of how to "save the lives of our soldiers," the undertaking probably appears in the form of a horrifying nightmare.

Both the United States and Britain consider the Soviet Union an ally only because this is expedient. For both the existence of a powerful Soviet Union is as obnoxious as the existence of a powerful Germany. With grim satisfaction do they view the titanic struggle being waged on the Eastern Front between the armed forces of Germany and the Soviet Union. Though today they call the Soviet Union their ally and heap words of flattery on that nation, it was only a few years ago that the Soviet Union was among the nations against whom they carried on an open campaign of hate. Nothing would be more satisfactory to the United States and Britain than to see Germany and the Soviet Union eliminate each other from among the powers of the world.

The formation of a Second Front, if it should happen, will not be the result of any Anglo-American desire to coordinate their efforts with the Soviet Union's to deal heavy blows on Germany, as they may claim, but because they can no longer continue to deceive the Soviet Union by mere promises of "joint action." The Soviet organ, War and the Working Class, in its May 1 issue, stressed the fact that victory could not be attained by the bombing of Germany alone and spoke of the urgent necessity of forming a Second Front. And so with reluctance, the Anglo-Americans may be forced to act. But they are reluctant because of the terrible price they will have to pay in blood and money. They are reluctant because even if they succeed in forming a Second Front and in occupying some territory they will have to allow the Soviet Union a hand in the affairs of these regions. They were not able to prevent the advance of Soviet power into the Mediterranean, they were not able to prevent Soviet influence from seeping into Africa and they must have noted the significance of the reported recent appointment of a Mohammedan Soviet consul in Jerusalem. The whole Second Front question, whether its formation continues to be postponed or whether it is finally launched, clearly indicates the untrusting, inimical feelings of the United States and Britain for the Soviet Union.

In the meantime whether the Second Front will be established or not remains the biggest question mark of the moment. As for us we are content to repose full confidence in the superb fighting qualities of the mighty German war machine come what may.

Economic Reform in China

Nanking Government Sets Up Organs for Successful Operation of Controlled Economy

By GORO OGUCHI
(From the Meiho Hyoron)

The restoration of peace and the reform of the economic life were two main lines of administrative policy adopted by the National Government at its establishment. As one means of accelerating the restoration of general peace, that Government started the rural pacification work in July, 1941. This work began on a rather small scale, but it has been pushed on steadily since. Model zones were created locally, to begin with, and these were gradually extended in scope, with a view to re-establishing peace over increasingly extensive areas by winning over the inhabitants of hostile districts. Though not showy in appearance, it had a very big object in view, and it has been making a very favorable progress all the time.

While this rural pacification work was in progress, a unique opportunity presented itself in the shape of the outbreak of the War of Greater East Asia for China to perfect its independence and to abolish unequal treaties. This war caused Wang Ching-wei, the great patriot, to take a firm resolve to drive Anglo-American influence completely out of East Asia in order to emancipate his country from its disgraceful colonial status. This resolution found open expression in the participation of the National Government in the conflict. Its entry into the war not so much for the purpose of putting its troops on the first line of battle as for the purpose of fulfilling the duty of rear-service so as to realize the liberation of East Asia through collaboration with Japan, in pursuance of the wishes of the late Dr. Sun Yat-sen. In pursuit of this object, the National Government has been making strenuous efforts to give Japan its valuable cooperation by increasing production. The inculcation of the right war spirit in the Chinese nation and the restoration of peace at home as well as the increase of production then formed the three main objectives of the National Government, which has since been leaving nothing undone for the successful attainment of these objectives.

These three things are so closely interrelated that the deficiency of any one of them inevitably interferes with the satisfactory display of China's collective power for war purposes. It is necessary to re-establish domestic peace in order to ensure increased production, while the right war spirit has to be inculcated in the nation so that it may become strongly persuaded of the urgent need of enhancing production.

Increase in Production

It is hardly necessary to say that under the present war situation special attention must be directed to the increased production of war materials. Nor is it necessary to stress the need of taking all measures requisite for facilitating production or for removing any obstacle to increased production. With this object in view, the National Government is exerting itself to reform the economic life of the nation. It has been setting up control organs for the successful operation of controlled economy. While adopting appropriate measures for the smooth collection and distribution of materials, it is directing earnest attention to the question of regulating the prices of commodities. The fundamentals of these measures are fixed by the National Economic Committee, and the ways and means of ensuring the cooperation of the people and of otherwise facilitating their successful execution are being devised by the authorities concerned.

The more important among the war materials to be produced in the territory under the jurisdiction of the National Government are iron, coal, alumina shale, mica and salt. These materials are produced in plenty and China is playing a very important part as the supply base of these. The present writer is not in possession of accurate figures as to the quantities produced of these materials. Nor would he be in a position to disclose such figures if he had them. In any case, it is a well-known fact that enormous quantities of coal, iron, and salt are produced in North and Central China and Mengchiang, and it is quite conceivable that under the increased production plan, their output has been enhanced considerably.

According to the figures published some time ago in the newspapers concerning coal, taking the total coal output for 1942 in the three countries of Japan, Manchoukuo and North China as 100, Japan accounted for 58 (Japan Proper for 46, Taiwan for 2, Karafuto for 4 and Chosen for 6), Manchoukuo for 21 and North China for 21. Compared with 1938, Japan's production showed only a slight increase and Manchoukuo's output increased by some 50 per cent, while North China's yield witnessed a remarkable increase of 250 per cent.

The Southern Regions are rich in bauxite, but it may make an exacting demand on shipping to bring it to Japan in large quantities. Luckily, however, alumina, a good substitute for bauxite, is produced in plenty in Hopeh and Shantung. Particularly plentiful and of good quality is alumina produced at Poshan and other places in Shantung. It may further be mentioned that mica, which is said to be of the best quality in the world, is being mined plentifully in Mengchiang. There has also been an abundant production of iron ore of a very good quality in Hainan Island.

Replenish Fighting Power

It is superfluous to say that the increased production of foodstuffs is of special importance for the replenishment of the fighting power. In response to Wang Ching-wei's exhortations, be it noted, the authorities of all Departments of the Nanking Government have been taking the necessary steps to increase food production. From many quarters in China, reassuring reports are already coming in of the projected reclamation of large tracts of land for the cultivation of crops. Considering that the districts on the lower reaches of the Yangtze are suited for the cultivation of rice because of irrigation facilities available and for climatic and other reasons, it is fair to expect a great deal from these schemes. North China is by no means poor in agricultural crops, but due to the excessive density of population, it has been looking to Manchoukuo for the supply of foodstuffs. For the past few years, however, the campaign for increased food production has been going on there with good results. It is now hoped that, thanks to the strenuous efforts of the authorities concerned, North China will attain self-sufficiency in the supply of foodstuffs before long.

Increased production of raw cotton is also planned in North China. In Mengchiang, there is a steady expansion in the production of agricultural crops and stock-farming to say nothing of a yearly increase in the output of minerals of various kinds. Thus, in the districts of China where the people are cooperating with Japan for the successful prosecution of the War of Greater East Asia there is an unprecedented increase in all lines of production.

How is the Chungking Administration faring at the present juncture, then? The slogan "Aggressor Japan," which Chiang Kai-shek invented and has exploited to the full in order to drive the Chinese masses to his reckless war of resistance has now been effectively exploded in consequence of Japan's execution of her new China policy. Not only has the bottom thus been knocked out of Chiang's theory of resistance, but the abolition of unequal treaties which the late Dr. Sun Yat-sen, the Father of the Chinese Republic, so ardently desired in his lifetime has been realized thanks to the just and equitable steps taken by Japan.

Hoping for Victory

It is a pity, therefore, that Chiang and other Chungking leaders are still deliberately closing their eyes to this incontrovertible truth and are continuing resistance against Japan on this pretext or that, hoping against hope that they may yet win final victory with the aid of America and Britain. They know that the southern regions are rich in war materials and that Japan's just attitude is winning the hearts of the inhabitants of these territories. They are, therefore, very uneasy and have accordingly been repeatedly urging America and Britain to act promptly and vigorously to defeat Japan before the latter becomes absolutely impregnable through the utilization of the rich resources of the southern regions. In reply, America and Britain promised to recover Burma quickly and give Chungking an ample supply of arms, but Chungking has been rudely disappointed in these promises. The Anglo-American onslaught against Burma last year failed dismally, and the operations recently launched to recover Burma bid fair to prove another stupendous failure. Chungking's consternation and pessimism at this gloomy prospect may well be imagined. Failure of the anti-Axis forces to recover Burma will shatter the last vestige of Chungking's hope for victory.

On the other hand, the National Government has succeeded in restoring the foreign concessions and securing the abolition of extraterritoriality. It sent its representative to the Assembly of East-Asiatic Nations, at which the Joint Declaration, which accords with the will of the late Dr. Sun Yat-sen, was adopted, and it is now cooperating loyally with Japan in the war for the liberation of East Asia along the lines of this historic Joint Declaration.

EAST ASIA'S EDITORIAL FORUM

Views of Leading Journals on Pertinent Subjects

Across the Arakans

(From the Malai Sinpo, Kuala Lumpur)

Although we in this country, due to the distance from the scene, cannot visualize the rapidity with which events have moved, there is not the slightest doubt that the Indian National Army has struck the first blow for the emancipation of their country by the part they played in the successful military operations carried out by the Imperial Japanese Army which have culminated in completely upsetting Mountbatten's applecart. Coming out with such fine colors after their first encounter with the enemy they are now not only jubilant but are confident of complete success and that confidence is becoming highly infectious throughout East Asia where Indians are more determined than ever before to sacrifice all they have for the cause of freedom. There is not the slightest doubt that the British in India as they keep their ears to the ground, can hear the distant roar of fateful Indian drums and the tramping rhythm of the battalions of the National Army. They are the harbingers of the fall of their Empire and it is not at all strange that the wiser men among them have already made arrangements to take their hurried departure by India's back door. This exodus, when it gathers momentum, will surpass anything that has been recorded in history.

The death of Kasturbai Gandhi in prison has put a stop to the activities of all moderates, liberals and constitutionalists in India and it has helped them to close their ranks as no other event has done in recent years. It is the most convincing proof they have ever had that any compromise with the British Government is absolutely impossible and these well-meaning but misguided patriots must by now be convinced of two things. One is that Britain, with the help of America, is determined to hold India as long as she can, and the other is that British statesmen understand only one language and that is the language of force. For the first time in her history India possesses today an army raised from her own people who have tasted the bitter fruits of oppression and exploitation and burning with a desire for vengeance for the innumerable wrongs done to their country during the past. And at the head of that army stands a man loved and respected by millions of his countrymen who are of one mind with him. By his side are two mighty and powerful friends, the invincible Imperial Japanese Army on one side and the veteran Burmese National Army on the other. The combined strength of these three forces inspired by one common aim, the expulsion of the invader from India and the establishment of right and justice, has already proved its ability to destroy the most powerful Anglo-American combination. The utilization of that knowledge will be the next step in the Burma frontier.

The creation of a liaison organ of members of the Staffs of the Imperial Japanese Force, the Burmese National Army and the Indian National Army, and the arrival of the publicity corps of the National Government of China in Burma are events of considerable significance because they indicate the directions in which future developments might be expected. The creation of the liaison organ indicates that unlike the British and the Americans, Japan has not the least desire completely to dominate her allies, although neither the Indian National Army nor the Burmese National Army would have the slightest objection to such a unification of command in view of the Japanese Army's unchallenged superiority. We see the exact opposite of Japan's policy in that which is being followed by the Americans in Chungking-controlled territories where Chiang Kai-shek's armies have become a mere appendage of the Americans. On the contrary Japan, in whatever operations necessary to defeat the enemy, is most anxious to consult both the Indians and the Burmese. The advent of the Chinese Publicity Corps will ensure that the true state of affairs with regard to the war will be explained to the Chinese, especially to Chungking soldiers who were lookers-on in the Yunnan border while the British 7th Division was being pulverized in the jungles of Arakan. The activities of this corps will undoubtedly have a far-reaching effect on future developments in Burma, and the Indians as much as the Burmese will welcome their active cooperation in the final struggle against British imperialism in India.

Fruits of Wisdom

This is an old saying, O Atula, thus is not only of today: "They blame him who sits silent, they blame him who speaks much, they also blame him who says little; there is no one on earth who is not blamed."—Dhammapada.

* * *

The Jews ruin themselves at their passover; the Moors, at their marriages; and the Christians, in their lawsuits.—Spanish Proverb.

Economic Statistics in Wartime United States

TABLE 6. INDEXES OF INDUSTRIAL PRODUCTION
(1935-39=100)

	1939	1940	1941	1942	1943
Total index	109	125	162	199	[illegible]
Manufactures	109	128	168	212	258
Durable goods	109	139	201	279	360
Non-durable goods	109	115	142	158	176
Minerals	106	117	125	129	132
Durable manufactures:					
Pig iron	114	151	180	193	198
Open-hearth and Bessemer steel	113	143	175	179	185
Electric steel	128	212	357	495	[illegible]
Machinery	104	136	221	340	443
Transportation equipment	193	145	245	464	730
Automobile	94	118	153	155	229
Non-ferrous metals and products	113	139	191	204	270
Lumber	106	115	129	130	117
Furniture	107	118	145	142	148
Stone, clay and glass products	114	124	162	168	173
Cement	114	122	154	171	129
Non-durable manufactures:					
Textiles and products	112	114	152	157	?
Cotton consumption	110	120	158	171	161
Rayon deliveries	128	138	166	173	182
Woolen and processed cloth	112	105	162	178	174
Leather products	105	98	123	122	114
Shoes	105	100	123	119	114
Manufactured food products	108	113	127	134	143
Manufactured dairy products	108	114	131	145	140
Meat packing	112	125	129	148	166
Other manufactured foods	108	112	128	134	13
Alcoholic beverages	98	110(?)	117	118	118
Tobacco products	106	109	120	131	132
Paper and paper products	114	123	150	142	139
Paper	113	120	145	138	136
Printing and publishing	108	112	127	115	112
Newsprint consumption	99	103	107	103	100
Printing paper	112	12	147	127	124
Petroleum and oil products	110	120	135	147	183
Gasoline	112	112	126	170	111
Coke	105	135	152	164	167
Chemicals	112	130	176	278	387
Rubber products	113	123	163	172	227
Minerals:					
Bituminous coal	99	116	129	145	146
Anthracite	110?	110?	110	117	119
Crude petroleum	108	116	120	118	129
Metals excluding gold and silver	112	145	168	190	187

Source: Federal Reserve Board except data for 1943 which were estimated by U.S. Department of Commerce.

TABLE 7. ESTIMATED PORTIONS OF FEDERAL RESERVE INDUSTRIAL PRODUCTION INDEX REPRESENTED BY WAR AND CIVILIAN PRODUCTION
(1935-39=100)

	1941	1942	1943
Industrial production:			
Total index	162	199	239
War portion	32	107	155
Civilian portion	130	92	84
Manufactures:			
Total index	168	212	258
War portion	37	118	170
Civilian portion	131	94	88
Durable manufactures:			
Total index	201	279	360
War portion	60	206	292
Civilian portion	141	73	68
Non-durable manufactures:			
Total index	142	158	176
War portion	13	47	76.
Civilian portion	126	111	100
Minerals:			
Total index	125	129	132
War portion	25	52	65
Civilian portion	120	77	65

Sources: United States Department of Commerce. Estimates of War Portion are based on data obtained from numerous government sources and represent government purchases for military uses, lend-lease and other exports.

TABLE 8. MANUFACTURERS' SHIPMENTS
(In Billion Dollars)

	1939	1940	1941	1942	1943
Total all industries	56.9	66.	94.1	121.3	147.2
Durable goods	24.9	31.7	49.0	6.3	87.4
Iron and steel and their products	6.6	8.3	12.8	14.3	15.1
Non-ferrous metals and their products	2.6	3.2	4.6	5.8	6.9
Machinery	5.0	6.5	10.2	14.9	19.8
Transportation equipment—inc. automobiles	4.9	6.8	11.1	18.9	31.2
All other durable goods	5.8	6.9	10.2	12.5	14.4
Non-durable industries	32.0	34.3	45.1	54.9	59.8
Food and kindred products	10.	11.2	14.3	18.5	20.0
Textile mill products	3.9	4.2	6.4	7.8	7.9
Chemicals and allied products	3.8	4.3	5.8	6.7	8.0
All other non-durable goods	13.7	14.6	18.6	21.9	23.9

TABLE 9. SALES OF WHOLESALERS BY KINDS OF BUSINESS

	1939	1940	1941	1942	1943
Total, all wholesalers	55.3	61.	83.6	93.2	60.2
Durable goods establishment	99.1	18.3	27.7	6.1	11.2
Machinery and metals	6.1	7.5	12.6	12.0	9.7
Hardware	0.7	0.8	1.1	1.2	missing
House furnishings	0.7	0.7	1.1	1.2	1.0
Jewelry and optical goods	0.4	0.4	0.6	0.8	0.8
Non-durable goods establishment	40.2	.4	55.8	63.2	70.1
Food	13.1	13.9	16.7	20.6	2.4
Farm products raw materials	6.4	7.0	9.6	13.	17.6
Petroleum and its products	4.1	4.3	5.4	5.2	5.7
Dry goods	3.3	3.5	4.9	4.5	7.2
Tobacco and its products	1.8	2.0	2.2	2.5	2.8
Clothing and furnishings	1.6	1.7	2.2	2.6	2.9
Beer, wines and liquors	1.7	1.8	2.2	2.9	3.5
Coal and coke	0.9	1.3	1.7	2.1	2.3
Paper and products	1.0	1.1	1.5	1.6	1.8
Drugs and sundries	0.8	0.9	1.1	1.3	1.5
All other	5.3	5.9	8.2	9.5	8.

TABLE 10. SALES OF RETAIL STORES BY KINDS OF BUSINESS
(In Billion Dollars)

	1939	1940	1941	1942	1943
All retail stores	42.0	46.4	55.6	57.2	missing
Missing	missing	6.9	8.5	2.8	2.5
Building materials and hardware	2.7	3.1	2.9	3.8	3
Home furnishing	1.7	2.0	2.6	2.7	2.4
Jewelry	0.4	0.4	0.6	0.8	1.0
Non-durable goods stores	31.7	34.0	40.0	37.7	[illegible]
Apparel	3.3	3.4	4.2	5.2	6.3
Drug	1.6	1.6	1.9	2.2	2.7
Eating and drinking	3.5	3.9	4.8	6.2	8.0
Food	10.2	10.9	12.6	15.8	17.0
Building stations	2.8	3.0	3.5	3.0	2.5
General merchandise	6.5	6.8	7.0	9.0	9.2
Other retail	3.9	4.3	5.2	6.3	7.4
All retail stores in 1935-39 dollars	42.5	46.2	51.4	47.1	47.6

TABLE 11. VALUE OF BUSINESS INVENTORIES
(In Billion Dollars)

	Manufacturers	Wholesalers	Retailers	Total
End of 1928	10.0	3.3	4.9	18.2
End of 1939	10.7	3.5	5.1	19.3
End of 1940	11.9	3.7	5.5	21.1
End of 1941	15.7	4.7	6.6	27.1
October 1942	17.5	4.0	7.3	28.9
December 1942	17.7	4.0	6.4	28.0
October 1943	17.8	4.0	6.2	28.0

TABLE 12. MANUFACTURERS INVENTORIES WAR AND NON-WAR INDUSTRIES
(In Billion Dollars)

	End of				3rd quarter of	
	1938	1939	1940	1941	1942	1943
War industries:						
Raw materials and goods in process	2.7	3.2	4.0	6.2	7.2	8.1
Finished goods	1.8	1.7	2.9	1.8	2.4	1.9
Non-war industries:						
Raw materials and goods in process	2.9	3.2	3.4	4.9	2	5.8
Finished goods	2.6	2.5	2.6	2.9	2.6	2.5

(To Be Continued)